

RECEIVED
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*Financial Statements
For the Year Ended June 30, 2006*

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/10/07



FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2006

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FRANKLIN COUNCIL ON THE AGING, INC.
WINNSBORO, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2006

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Franklin Council on Aging, Inc.
Winnsboro, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Franklin Council on Aging, Inc., as of and for the year ended June 30, 2006, which collectively comprise the basic financial statements of the Council as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information for the Franklin Council on Aging, Inc., as of June 30, 2006, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2006, on our consideration of the Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Board of Directors
Franklin Council on Aging, Inc.
Winnsboro, Louisiana
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Management's discussion and analysis and budgetary comparison information on pages 3 through 6 and 19 through 23, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements of the Franklin Council on Aging, Inc. taken as a whole. The supplemental information schedules required by GOEA are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
November 7, 2006

REQUIRED SUPPLEMENTAL INFORMATION (PART A)
MANAGEMENT'S DISCUSSION AND ANALYSIS

FRANKLIN PARISH COUNCIL ON AGING
714 ADAMS STREET
WINNSBORO, LA 71295

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Franklin Parish Council on Aging provides an overview of the Council's activities for the year ended June 30, 2006. Please read it in conjunction with the Council's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Council as a whole.

Reporting the Council as a Whole

The Statement of Net Assets and the Statement of Activities

These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Council's net assets and changes in them. The Council's net assets – the difference between assets and liabilities – measure the Council's financial position. The increase or decrease in the Council's net assets are an indicator of whether its financial position is improving or deteriorating.

THE COUNCIL AS A WHOLE

For the years ended June 30, 2006 and 2005:

	<u>06/30/06</u>	<u>06/30/05</u>
Beginning net assets	\$293,831	\$262,721
Increase in net assets	<u>(1,310)</u>	<u>31,110</u>
Ending net assets	<u>\$292,521</u>	<u>\$293,831</u>

THE COUNCIL'S FUNDS

The following schedule presents a summary of revenues and expenses for the fiscal year ended June 30, 2006, and the amount and percentage of increases and decreases in relation to the prior year.

Revenues	June 30, 2006	Percent of Total	Increase (Decrease) From June 30, 2005	Percent Increase (Decrease)
Intergovernmental	\$269,104	68%	(\$16,428)	-6%
Property Taxes	94,197	24%	\$3,175	3%
Public Support	19,968	5%	(\$4,637)	-23%
Rental Income	2,125	1%	(\$30)	-1%
Miscellaneous	9,496	2%	\$3,340	35%
Totals	\$394,890	100%	(\$14,580)	-4%

Revenues	June 30, 2005	Percent of Total	Increase (Decrease) From June 30, 2004	Percent Increase (Decrease)
Intergovernmental	\$285,532	70%	(\$22,819)	-8%
Property Taxes	91,022	22%	\$2,093	2%
Public Support	24,605	6%	(7,979)	-32%
Rental Income	2,155	1%	(871)	-40%
Miscellaneous	6,156	2%	4,366	71%
Totals	\$409,470	100%	(\$25,210)	-6%

Revenues for the Council for the year ending June 30, 2006 decreased overall. The hurricanes in 2005 affected the funding for the Council and the public tended to give to help the hurricane victims

Revenues for the Council for the year ending June 30, 2005 decreased overall. This decrease can be attributed to a reduction in funding from GOEA and contributions from the public have also dropped in the past year.

Expenses	June 30, 2006	Percent of Total	Increase From 6/30/2005	Percent Increase
Total	\$396,200	100%	\$17,840	5%

Expenses	June 30, 2005	Percent of Total	Increase From 6/30/2004	Percent Increase
Total	\$378,360	100%	\$8,379	2%

The Council's expenses for the year ending June 30, 2006 increased over fiscal year 2005. This can be attributed to expenses related to increases in salaries.

The Council's expenses increased in 2005 from the prior year. This was due to the increase in cost of fuel and utilities.

BUDGETARY HIGHLIGHTS

The Council's total revenues in fiscal year 2006 were more than the final budget of \$16,862. Only that portion of the property tax expected to be used to cover expenses is budgeted. Actual expenses for the Council were over the final budget by \$7,649. The General Fund is not budgeted but used in support of other programs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2006 and 2005, the Council had \$117,160 and \$114,310 invested in capital assets including buildings and improvements, furniture and fixtures, equipment, and vehicles (see table next page).

	June 30, 2006	June 30, 2005
Building Improvements	\$15,410	\$15,410
Furniture & Fixtures	6,953	4,103
Vehicles	94,797	94,797
Totals	<u>\$117,160</u>	<u>\$114,310</u>

The Council purchased a new phone system in 2006. There are no equipment disposals for the current year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND REVENUES

The Council's revenues are derived mainly from three sources, United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council, Property Tax Millage and Public Support. The Council does not anticipate any major increase or decrease in the revenues for the coming year.

CONTACTING THE COUNCIL'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Council's finances and to show the Council's accountability for the money it receives. If you have questions concerning this report or need additional financial information, contact the Franklin Parish Council on Aging, 714 Adams Street Winnsboro, LA 71295.

Barbara Copes
Director

GOVERNMENT-WIDE FINANCIAL STATEMENTS

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2006

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Cash	\$ 144,859
Certificates of Deposit	133,881
Accounts Receivable	345
Utility Deposits	100
Capital Assets:	
Depreciable	<u>34,117</u>
<u>TOTAL ASSETS</u>	<u>\$ 313,302</u>
<u>LIABILITIES</u>	
Accounts Payable	\$ 11,340
Accrued Expenses	<u>9,441</u>
Total Liabilities	20,781
<u>NET ASSETS</u>	
Invested in Capital Assets, Net of Related Debt	34,117
Unrestricted	<u>258,404</u>
Total Net Assets	<u>292,521</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>\$ 313,302</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Direct Expenses</u>	<u>Indirect Expenses</u>
Function/Program Activities		
Governmental Activities:		
Health, Welfare and Social Services:		
Supportive Services:		
Homemaker	\$ 20,278	\$ 13,575
Information and Assistance	376	260
Outreach	486	361
Transportation	34,355	24,562
Other Services	21,002	11,468
Nutrition Services:		
Congregate Meals	86,307	54,066
Home Delivered Meals	66,936	29,286
Utility Assistance	5,131	-
Disease Prevention and Health Promotion	1,316	1,775
National Family Caregiver Support	2,614	1,853
Senior Activities	5,765	-
Administration	14,428	-
	<u>\$ 258,994</u>	<u>\$ 137,206</u>
Total Governmental Activities		

Charges for Services	Program Revenues		Net (Expense) Revenue and Changes in Net Assets Governmental Activities
	Operating Grants and Contributions	Capital Grants and Contributions	
\$ -	\$ 15,777	\$ -	\$ (18,076)
-	584	-	(52)
-	1,169	-	322
-	26,294	-	(32,623)
-	14,608	-	(17,862)
-	56,377	-	(83,996)
-	61,443	-	(34,779)
-	5,694	-	563
-	3,091	-	-
-	4,467	-	-
-	-	-	(5,765)
-	849	-	(13,579)
<u>\$ -</u>	<u>\$ 190,353</u>	<u>\$ -</u>	<u>\$ (205,847)</u>

General Revenues:

Grants and Contributions not Restricted to Specific Programs	98,719
Property Taxes	94,197
Rental Income	2,125
Special Item - Sale of Assets	2,600
Interest Income	6,896
Total General Revenues	204,537
Changes in Net Assets	(1,310)
Net Assets - Beginning	293,831
Net Assets - Ending	<u>\$ 292,521</u>

The accompanying notes are an integral part of this financial statement.

FUND FINANCIAL STATEMENTS

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2006

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C-1 Congregate Meals</u>	<u>Title C-2 Home Delivered Meals</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 134,881	\$ -	\$ 2,382	\$ 2,218
Certificates of Deposits	133,881	-	-	-
Accounts Receivable	-	-	-	-
Utility Deposits	-	47	41	12
Due From Other Funds	-	8,666	2,278	2,766
<u>TOTAL ASSETS</u>	<u>\$ 268,762</u>	<u>\$ 8,713</u>	<u>\$ 4,701</u>	<u>\$ 4,996</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ -	\$ 423	\$ 4,701	\$ 4,996
Other Accrued Expenses	9,441	-	-	-
Due To Other Funds	2,305	8,290	-	-
Total Liabilities	11,746	8,713	4,701	4,996
<u>FUND BALANCE</u>				
Fund Balance				
Reserved for:				
Utilities Assistance	-	-	-	-
Unreserved, Reported In:				
General Fund	257,016	-	-	-
Special Revenue Funds	-	-	-	-
Total Fund Balance	257,016	-	-	-
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 268,762</u>	<u>\$ 8,713</u>	<u>\$ 4,701</u>	<u>\$ 4,996</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCES TO NET ASSETS OF
GOVERNMENTAL FUNDS
JUNE 30, 2006

Nonmajor Governmental Funds	Total Governmental Funds		
		Total Governmental Fund Balances	\$ 258,404
		<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
\$ 5,378	\$ 144,859		
-	133,881		
345	345		
-	100		
-	13,710		
<u>\$ 5,723</u>	<u>\$ 292,895</u>		
		Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>34,117</u>
		Net Assets of Governmental Activities	<u>\$ 292,521</u>
\$ 1,220	\$ 11,340		
-	9,441		
<u>3,115</u>	<u>13,710</u>		
<u>4,335</u>	<u>34,491</u>		
563	563		
-	257,016		
825	825		
<u>1,388</u>	<u>258,404</u>		
<u>\$ 5,723</u>	<u>\$ 292,895</u>		

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC
WINNSBORO, LOUISIANA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>General Fund</u>	<u>Title III B Supportive Services</u>	<u>Title C-1 Congregate Meals</u>	<u>Title C-2 Home Delivered Meals</u>
<u>REVENUES</u>				
Intergovernmental	\$ 78,315	\$ 57,775	\$ 44,545	\$ 38,525
Property Taxes	94,197	-	-	-
Public Support	359	657	11,832	1,426
Rental Income	2,125	-	-	-
Miscellaneous	9,496	-	-	-
Total Revenues	<u>184,492</u>	<u>58,432</u>	<u>56,377</u>	<u>39,951</u>
<u>EXPENDITURES</u>				
Current:				
Salaries	-	79,239	60,231	35,490
Fringe	-	6,258	4,872	2,921
Travel	-	5,439	552	7,441
Operating Services	-	30,789	21,590	7,365
Operating Supplies	127	4,998	2,917	1,754
Other Costs	238	-	50,211	41,251
Capital Outlay	2,850	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	<u>3,215</u>	<u>126,723</u>	<u>140,373</u>	<u>96,222</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	<u>181,277</u>	<u>(68,291)</u>	<u>(83,996)</u>	<u>(56,271)</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	-	68,291	83,996	56,271
Operating Transfers - Out	<u>(164,805)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(164,805)</u>	<u>68,291</u>	<u>83,996</u>	<u>56,271</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	<u>16,472</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>240,544</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 257,016</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

Nonmajor Governmental Funds	Total Governmental Funds		
		Net Change in Fund Balances - Total Governmental Funds	\$ 9,413
\$ 49,944	\$ 269,104		
-	94,197	<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
5,694	19,968	Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
-	2,125	Capital asset purchases capitalized	2,850
-	9,496	Depreciation expense	<u>(13,573)</u>
55,638	394,890		<u>(10,723)</u>
6,351	181,311		
529	14,580		
46	13,478		
5,947	65,691		
198	9,994	Change in Net Assets in Governmental Activities	<u>\$ (1,310)</u>
742	92,442		
-	2,850		
5,131	5,131		
18,944	385,477		
36,694	9,413		
-	208,558		
(43,753)	(208,558)		
(43,753)	-		
(7,059)	9,413		
8,447	248,991		
\$ 1,388	\$ 258,404		

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 1- Summary of Significant Accounting Policies

The financial statements of the Franklin Council on Aging, Inc. have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These statements have also incorporated any applicable requirements set forth by *Audits of State and Local Governments*, the industry audit guide issued by the American Institute of Certified Public Accountants; Subsection VI-Annual Financial Reporting, accounting manual for Governor's Office of Elderly Affairs contractors, and the *Louisiana Governmental Audit Guide*. The more significant to the Council's accounting policies are described below.

A. Reporting Entity

In 1964, the State of Louisiana passed Act 456 that authorized the charter of voluntary councils on aging for the welfare of the aging people in their representative parishes. Charters are issued by the Louisiana Secretary of State upon approval by the Governor's Office of Elderly Affairs. The Franklin Council on Aging, Inc. is a non-profit, quasi-public, corporation which must comply with the policies and regulations established by the Governor's Office of Elderly Affairs, the state agency which provides the Council with most of its revenues. The Council also receives revenues from other federal, state, and local government agencies that may impose certain restrictions upon how the Council can use the money that they have provided.

The primary function of the Franklin Council on Aging, Inc. is to improve the quality of life for the parish's elderly and to provide services to the elderly as well as coordinate and monitor the services of other local agencies serving the aging people of the parish. Such services include providing meals, nutritional education, information and referral services, legal assistance, homemaker services, operating senior centers, and transportation. A Board of Directors, consisting of 15 voluntary members who serve three-year terms governs the Council.

The Council is not a component unit of another primary government nor does it have any component units that are related to it. Therefore, the Council has presented its financial statements as a separate special purpose government.

B. Financial Reporting

The Council follows the provisions of the Governmental Accounting Standards Board Statement, Nos. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (Statement 34), 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus* (Statement 37), and 38, *Certain Financial Statement Note Disclosures* (Statement 38), which establish the financial reporting standards for all state and local governmental entities.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

The accompanying government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting and reflect transactions of behalf of the Council. The Council accounts for its funds as governmental funds.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Office of Elderly Affairs Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Most of the Council's special revenue funds are provided by GOEA. The Title III funds are provided by the United States Department of Health and Human Services Administration on Aging through the Governor's Office of Elderly Affairs which in turn "passes through" the funds to the Council.

The Council reports the following major governmental funds:

General Fund

The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund. These discretionary funds are accounted for and reported according to the source (federal, state, or local) from which they are derived. The following types of programs comprise the Council's General Fund:

Local Funds

Local funds are received from various local sources; such funds not being restricted to any special use.

PCOA (ACT 735) Funds

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council on Aging. The Council may use these "Act 735" funds at its discretion provided the program is benefiting people who are at least 60.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Title III-B Supportive Services Fund

This program provides access services, in-home services, community services, legal assistance and transportation for the elderly.

Title III C-1 Congregate Meals Fund

These funds are used to provide nutritional congregate meals to the elderly in strategically located centers.

Title III C-2 Home Delivered Meals Fund

These funds are used to provide nutritional meals to home-bound older persons.

The remaining nonmajor funds are as follows:

Senior Center Fund

This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity and encourage their involvement in and with the community.

Nutritional Services Incentive Program (NSIP)

The NSIP program (formerly USDA) is used to account for the administration of Food Distribution Program funds provided by the United States Department of Agriculture through the Louisiana Governor's Office of Elderly Affairs. This program reimburses the service provider on a per unit basis for each congregate and home-delivered meal served to an eligible participant so that the United States food and commodities may be purchased to supplement these programs.

Title III-D Disease Prevention and Health Promotion Services

This program provides funds to develop or strengthen preventive health service and health promotion systems through designated agencies.

Title III-E National Family Caregiver Support

To assist in providing multifaceted systems of support services for family caregivers and grandparents or older individuals who are relative caregivers.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 1- Summary of Significant Accounting Policies (continued)

B. Financial Reporting (continued)

Audit Funds

These funds are used to offset the cost of the annual audit. The amount received for the years ended June 30, 2006 and 2005 was \$490 and \$803, respectively.

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various Councils on Aging through the state to be used to supplement the primary state grant for senior centers. Franklin Council on Aging, Inc. was one of the parish councils to receive a supplemental grant.

Utility Assistance Fund

The Utility Assistance fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and remit the funds to the parish Councils on Aging to provide assistance to the elderly for the payment of their utility bills.

C. Compensated Absences

Employees of the Franklin Council on Aging, Inc. earn from 10 to 20 days of annual leave each year with 10 days allowed to be carried over to next year, depending on their length of service and the employee's working status (full-time or part-time). Provided that funds are available, employees are compensated upon termination of employment for current-year accrued annual leave up to 5 days. Employees earn up to 12 days of sick leave each year, and can accumulate up to 60 days, depending upon whether the employee is on a part-time or full-time status. Employees are not paid for accrued sick leave at termination and no accrual has been made.

D. Funding Policies and Sources of Funds

The Council receives its monies through various methods of funding. NSIP program funds are provided through the Louisiana Governor's Office of Elderly Affairs to help offset raw food cost in Title III C-1 and C-2 programs. This program is funded under the units of service provided method. The Senior Center program and State Allocation (PCOA) and Supplemental Senior Center funds are received as a monthly allocation of the total budget (grant) in advance of the actual expenditure. The Title III-B, C-1, C-2, D and E programs are funded based on actual operating cost incurred. The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1, and C-2 programs. Utility assistance funds are also provided by the Louisiana Association of Council on Aging to the Council under the Helping Hands and Heating Help Energy programs. All of the above mentioned funds, including any other miscellaneous income, are recorded as revenue when the cash is received because the Council cannot predict the timing and amount of receipt.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 1- Summary of Significant Accounting Policies (continued)

E. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 - Cash and Certificates of Deposit

At June 30, 2006, the book balance of the Council's bank deposits was \$144,859.

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent.

These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Cash and cash equivalents (bank balances) at June 30, 2005 are secured as follows:

Bank Balances	<u>\$ 151,995</u>
Federal Deposit Insurance	\$ 100,000
Pledged Securities (Uncollateralized)	<u>233,521</u>
Total	<u>\$ 333,521</u>

Because the pledged securities are held by the custodial bank in the name of the fiscal agent bank rather than in the name of the Council, they are considered uncollateralized (Category 3) under the provision of GASB Codification C20.106; however Louisiana Revised Statute 39.1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent bank has failed to pay deposited funds upon demand.

The same financial institution above maintains four certificates of deposit that are recorded at market value of \$133,881. They are not considered cash equivalents.

The total of the cash in bank and certificates of deposit is collateralized by pledged securities and are covered by FDIC insurance provided by the bank at June 30, 2006.

Note 3 - Receivables

Accounts receivable at June 30, 2006, consisting of reimbursements for expenses incurred under the NSIP program was \$345.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 4 - Fixed Assets

Fixed asset activity for the year ended June 30, 2006 is as follows:

	<u>Balance</u> <u>July 1, 2005</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2006</u>
Depreciable Assets:				
Building Improvement	\$ 15,410	\$ -	\$ -	\$ 15,410
Vehicles	94,797	-	-	94,797
Machinery & Equipment	<u>4,103</u>	<u>2,850</u>	<u>-</u>	<u>6,953</u>
Totals at Historical Cost	114,310	2,850	-	117,160
Less Accumulated Depreciation				
For:				
Building Improvement	(1,927)	(771)	-	(2,698)
Vehicles	(60,350)	(11,041)	-	(71,391)
Machinery & Equipment	<u>(7,193)</u>	<u>(1,761)</u>	<u>-</u>	<u>(8,954)</u>
Total Accumulated Depreciation	<u>(69,470)</u>	<u>(13,573)</u>	<u>-</u>	<u>(83,043)</u>
Fixed Assets, Net	<u>\$ 44,840</u>	<u>\$(10,723)</u>	<u>\$ -</u>	<u>\$ 34,117</u>

Depreciation was charged to Administration activities of the Council for \$13,573.

Note 5 - In-Kind Contributions

The Council received various in-kind contributions during the year. These in-kind contributions have not been recorded in the financial statements as revenues, nor has the expenditure related to the use of the in-kind been recorded. The primary in-kind contributions consisted of free rent and utilities for the senior center and meal sites, and wages and fringe benefits for volunteer workers.

Note 6 - Board of Directors' Compensation

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for out-of-town travel expenses incurred in accordance with the Council's regular personnel policy.

Note 7 - Income Tax Status

The Council, a non-profit corporation is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 8 - Litigation and Claims

There was no litigation pending against the Council at June 30, 2006, nor is the Council aware of any unasserted claims.

Note 9 - Federal Award Programs

The Council receives revenues from various federal and state grant programs that are subject to final review and approval as to the allowability of expenditures by the respective grantor agencies. These programs are audited in accordance with the *Single Audit Act Amendment of 1996* and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Institutions*. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

Note 10-Economic Dependency

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

Note 11-Related Party Transactions

There were no related party transactions during the year.

Note 12-Interfund Transfers

Operating transfers in and out are listed by fund for 2006:

<u>Funds Transferred In</u>	<u>Funds Transferred Out</u>					<u>Total In</u>
	<u>Supplemental Senior Center</u>	<u>Senior Center</u>	<u>NSIP</u>	<u>General Fund</u>	<u>PCOA</u>	
Title IIIB - Supportive Services	\$ 3,825	\$ 10,814	\$ -	\$ 37,078	\$ 16,574	\$ 68,291
Title III C-1	-	-	11,299	28,082	44,615	83,996
Title III C-2	-	-	17,815	21,330	17,126	56,271
Total Out	<u>\$ 3,825</u>	<u>\$ 10,814</u>	<u>\$ 29,114</u>	<u>\$ 86,490</u>	<u>\$ 78,315</u>	<u>\$ 208,558</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2006

Note 13-Risk Management

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

Note 14-Council on Aging Building

The Council was appropriated \$200,000 in 2001 to purchase and renovate a new facility. The Council's attorney as well as the Town of Winnsboro's Attorney determined that based on an opinion from the State Attorney General that the Council was not allowed to own the building purchased with State funds. The Council purchased the building from the bank, which held the mortgage, and then sold the building to the Town of Winnsboro. The Council then paid the Town of Winnsboro \$140,000 as an up front payment for a 99-year lease. The \$140,000 was all that the Council received from the original appropriation. There will be no payments due on the lease over the course of the term.

Note 15-Property Tax Revenue

During 2001, Franklin Parish passed a 2 mill property tax to help support the Council's activities and services. The revenue for the year ended June 30, 2006 was \$94,197. The Franklin Parish Sheriff's Department issues a check to the Council on a monthly basis based on the taxes collected by Tax Assessor's Office. Approximately 70% of this revenue is received during the month of January.

REQUIRED SUPPLEMENTAL INFORMATION (PART B)
BUDGETARY COMPARISON SCHEDULES

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 78,527	\$ 78,315	\$ 78,315	\$ -
Property Taxes	73,150	89,280	94,197	4,917
Public Support	-	-	359	359
Rental Income	-	-	2,125	2,125
Miscellaneous	-	-	9,496	9,496
Total Revenues	151,677	167,595	184,492	16,897
<u>Expenditures</u>				
Operating Supplies	-	-	127	(127)
Other Costs	-	-	238	(238)
Capital Outlay	-	-	2,850	(2,850)
Total Expenditures	-	-	3,215	(3,215)
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	151,677	167,595	181,277	13,682
<u>Other Financing Uses</u>				
Transfers Out	(151,677)	(167,595)	(164,805)	2,790
<u>Net Change in Fund Balance</u>	-	-	16,472	16,472
<u>Fund Balance at Beginning of Year</u>	240,544	240,544	240,544	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ 240,544</u>	<u>\$ 240,544</u>	<u>\$ 257,016</u>	<u>\$ 16,472</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE III B - SUPPORTIVE SERVICES
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 57,775	\$ 57,775	\$ 57,775	\$ -
Public Support	1,100	650	657	7
Total Revenues	58,875	58,425	58,432	7
<u>Expenditures</u>				
Salaries	76,910	82,053	79,239	2,814
Fringe	8,791	9,144	6,258	2,886
Travel	4,718	4,946	5,439	(493)
Operating Services	25,519	26,298	30,789	(4,491)
Operating Supplies	4,658	4,956	4,998	(42)
Other Costs	1,500	1,900	-	1,900
Capital Outlay	-	-	-	-
Total Expenditures	122,096	129,297	126,723	2,574
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(63,221)	(70,872)	(68,291)	2,581
<u>Other Financing Sources (Uses)</u>				
Transfers In	63,221	70,872	68,291	(2,581)
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE CI - CONGREGATE MEALS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 43,045	\$ 44,545	\$ 44,545	\$ -
Public Support	14,000	12,000	11,832	(168)
Total Revenues	57,045	56,545	56,377	(168)
<u>Expenditures</u>				
Salaries	55,628	52,516	60,231	(7,715)
Fringe	6,360	5,852	4,872	980
Travel	423	374	552	(178)
Operating Services	19,964	20,036	21,590	(1,554)
Operating Supplies	2,857	3,112	2,917	195
Other Costs	55,056	57,722	50,211	7,511
Capital Outlay	-	-	-	-
Total Expenditures	140,288	139,612	140,373	(761)
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(83,243)	(83,067)	(83,996)	(929)
<u>Other Financing Sources (Uses)</u>				
Transfers In	83,243	83,067	83,996	929
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
BUDGETARY COMPARISON SCHEDULE
TITLE C2 - HOME DELIVERED MEALS
FOR THE YEAR ENDED JUNE 30, 2006

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Over</u>
				<u>(Under)</u>
<u>Revenues</u>				
Intergovernmental	\$ 42,702	\$ 38,525	\$ 38,525	\$ -
Public Support	800	1,300	1,426	126
Total Revenues	43,502	39,825	39,951	126
<u>Expenditures</u>				
Salaries	34,763	33,054	35,490	(2,436)
Fringe	3,974	3,684	2,921	763
Travel	5,665	7,641	7,441	200
Operating Services	8,130	8,240	7,365	875
Operating Supplies	1,782	1,978	1,754	224
Other Costs	33,744	35,378	41,251	(5,873)
Capital Outlay	-	-	-	-
Total Expenditures	88,058	89,975	96,222	(6,247)
<u>Excess (Deficiency) of Revenues</u>				
<u>Over Expenditures</u>	(44,556)	(50,150)	(56,271)	(6,121)
<u>Other Financing Sources (Uses)</u>				
Transfers In	44,556	50,150	56,271	6,121
<u>Net Change in Fund Balance</u>	-	-	-	-
<u>Fund Balance at Beginning of Year</u>	-	-	-	-
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this financial statement.

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED JUNE 30, 2006

The Council follows these procedures in establishing the budgetary data reflected in these financial statements:

The Governor's Office of Elderly Affairs (GOEA) notifies the Council each year as to the funding levels for each program's grant award.

The Executive Director prepares a proposed budget based on the funding levels provided by GOEA and then submits the budget to the Board of Directors for approval.

The Board of Directors reviews and adopts the budget before June 30th of the current year for the next year.

The adopted budget is forwarded to the Governor's Office of Elderly Affairs for final approval.

All budgetary appropriations lapse at the end of each fiscal year (June 30).

The budget is prepared on a modified accrual basis, consistent with the basis of accounting, for comparability of budgeted and actual revenues and expenditures.

Actual amounts are compared to budgeted amounts periodically during the fiscal year as a management control device.

The Council may transfer funds between line items as often as required, but must obtain prior approval for the Governor's Office of Elderly Affairs for funds received under grants from this state agency.

Expenditures cannot legally exceed appropriations on an individual level.

Amounts were not budgeted for revenues and expenses for the utility assistance fund because they were not legally required and the amount of revenues to be received under this program could not be determined.

SUPPLEMENTAL INFORMATION SCHEDULES REQUIRED BY
GOEA

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

GENERAL FUNDS
COMBINING BALANCE SHEETS
JUNE 30, 2006

	<u>Programs of the General Fund</u>		<u>Total</u>
	<u>Local</u>	<u>PCOA (Act 735)</u>	<u>General Fund</u>
<u>ASSETS</u>			
Cash & Cash Equivalents	\$ 134,881	\$ -	\$ 134,881
Certificates of Deposit	133,881	-	133,881
Due From Other Funds	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 268,762</u>	<u>\$ -</u>	<u>\$ 268,762</u>
<u>LIABILITIES AND FUND BALANCE</u>			
<u>LIABILITIES</u>			
Accounts Payable	\$ -	\$ -	\$ -
Other Accrued Expenses	9,441	-	9,441
Due To Other Funds	2,305	-	2,305
Total Liabilities	11,746	-	11,746
<u>FUND BALANCE</u>			
Unreserved and Undesignated	257,016	-	257,016
<u>TOTAL LIABILITIES AND FUND BALANCE</u>	<u>\$ 268,762</u>	<u>\$ -</u>	<u>\$ 268,762</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

GENERAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2006

	<u>Programs of the General Fund</u>		<u>Total General Fund</u>
	<u>Local</u>	<u>PCOA (Act 735)</u>	
<u>Revenues</u>			
Intergovernmental	\$ -	\$ 78,315	\$ 78,315
Property Taxes	94,197	-	94,197
Public Support	359	-	359
Rental Income	2,125	-	2,125
Sale of Property	2,600	-	2,600
Interest Income	6,896	-	6,896
Total Revenues	106,177	78,315	184,492
<u>Expenditures</u>			
Operating Supplies	127	-	127
Other Costs	238	-	238
Capital Outlay	2,850	-	2,850
Total Expenditures	3,215	-	3,215
<u>Excess of Revenues Over</u>			
<u>Expenditures</u>	102,962	78,315	181,277
<u>Other Financing Sources (Uses)</u>			
Operating Transfers Out	(86,490)	(78,315)	(164,805)
<u>Excess of Revenues and Other</u>			
<u>Financing Sources Over</u>			
<u>Expenditures and Other</u>			
<u>Financing Uses</u>	16,472	-	16,472
<u>Fund Balance at Beginning of Year</u>	240,544	-	240,544
<u>FUND BALANCE AT</u>			
<u>END OF YEAR</u>	\$ 257,016	\$ -	\$ 257,016

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2006

	<u>Senior Center</u>	<u>Title III D Disease Prevention</u>	<u>Title III E Caregiver</u>	<u>Audit Funds</u>
<u>ASSETS</u>				
Cash & Cash Equivalents	\$ 369	\$ 3,952	\$ 14	\$ -
Receivables	-	-	-	-
<u>TOTAL ASSETS</u>	<u>\$ 369</u>	<u>\$ 3,952</u>	<u>\$ 14</u>	<u>\$ -</u>
 <u>LIABILITIES AND FUND BALANCES</u>				
<u>LIABILITIES</u>				
Accounts Payable	\$ 30	\$ 1,176	\$ 14	\$ -
Due To Other Funds	339	2,776	-	-
Total Liabilities	<u>369</u>	<u>3,952</u>	<u>14</u>	<u>-</u>
 Fund Balances:				
Unreserved	-	-	-	-
Reserved for:				
Utilities Assistance	-	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL LIABILITIES AND FUND BALANCES</u>	<u>\$ 369</u>	<u>\$ 3,952</u>	<u>\$ 14</u>	<u>\$ -</u>

<u>Supplemental Senior Center</u>	<u>Utilities Assistance</u>	<u>NSIP</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ 563	\$ 480	\$ 5,378
-	-	345	345
<u>\$ -</u>	<u>\$ 563</u>	<u>\$ 825</u>	<u>\$ 5,723</u>
\$ -	\$ -	\$ -	\$ 1,220
-	-	-	3,115
-	-	-	4,335
-	-	825	825
-	563	-	563
-	563	-	1,388
<u>\$ -</u>	<u>\$ 563</u>	<u>\$ 825</u>	<u>\$ 5,723</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

NONMAJOR SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2006

	Senior Center	Title III D Disease Prevention	Title III E Caregiver	Audit Funds
<u>REVENUES</u>				
Intergovernmental:				
North Delta Regional Planning and Development District	\$ -	\$ 3,091	\$ 4,467	\$ 490
State Contract	16,579			
Public Support:				
LA Association of Councils on Aging	-	-	-	-
Client Contributions	-	-	-	-
Total Public Support	-	-	-	-
 Total Revenues	 16,579	 3,091	 4,467	 490
<u>EXPENDITURES</u>				
Current:				
Salaries	1,239	1,516	3,596	-
Fringe	100	124	305	-
Travel	17	12	17	-
Operating Services	4,337	644	476	490
Operating Supplies	72	53	73	-
Other Costs	-	742	-	-
Total Current Expenditures	5,765	3,091	4,467	490
 Capital Outlay	-	-	-	-
Utility Assistance	-	-	-	-
Total Expenditures	5,765	3,091	4,467	490
 <u>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</u>	 10,814	 -	 -	 -
<u>OTHER FINANCING SOURCES (USES)</u>				
Operating Transfers - In	-	-	-	-
Operating Transfers - Out	(10,814)	-	-	-
Total Other Financing Sources (Uses)	(10,814)	-	-	-
 <u>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES</u>	 -	 -	 -	 -
 <u>FUND BALANCES AT BEGINNING OF YEAR</u>	 -	 -	 -	 -
 <u>FUND BALANCES AT END OF YEAR</u>	 \$ -	 \$ -	 \$ -	 \$ -

<u>Supplemental Senior Center</u>	<u>Utilities Assistance</u>	<u>NSIP</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ 21,492	\$ 29,540
3,825			20,404
-	5,694	-	5,694
-	-	-	-
-	5,694	-	5,694
3,825	5,694	21,492	55,638
-	-	-	6,351
-	-	-	529
-	-	-	46
-	-	-	5,947
-	-	-	198
-	-	-	742
-	-	-	13,813
-	-	-	-
-	5,131	-	5,131
-	5,131	-	18,944
3,825	563	21,492	36,694
-	-	-	-
(3,825)	-	(29,114)	(43,753)
(3,825)	-	(29,114)	(43,753)
-	563	(7,622)	(7,059)
-	-	8,447	8,447
\$ -	\$ 563	\$ 825	\$ 1,388

GENERAL FIXED ASSET ACCOUNT GROUP

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA

SCHEDULE OF GENERAL FIXED ASSETS

JUNE 30, 2006 AND 2005

	Balance June 30, 2005	Additions	Deletions	Balance June 30, 2006
<u>GENERAL FIXED ASSETS</u>				
Building Improvements	\$ 15,410	\$ -	\$ -	\$ 15,410
Vehicles	94,797	-	-	94,797
Office Furniture and Equipment	4,103	2,850	-	6,953
<u>TOTAL GENERAL FIXED ASSETS</u>	<u>\$ 114,310</u>	<u>\$ 2,850</u>	<u>\$ -</u>	<u>\$ 117,160</u>
<u>INVESTMENT IN GENERAL FIXED ASSET</u>				
Property Acquired Prior to July 1, 1985 *	\$ -	\$ -	\$ -	\$ -
Property Acquired After July 1, 1985				
With Funds From:				
Act 735 PCOA	1,598	-	-	1,598
General Fund	37,513	2,850	-	40,363
Title III- D Preventive Health	1,160	-	-	1,160
Title III- C-1	742	-	-	742
Title III- C-2	420	-	-	420
Title III- B Supportive Services	14,605	-	-	14,605
Title III- E Caregiver	14	-	-	14
Senior Center	14	-	-	14
Department of Transportation Sec. 5310 E&D	58,244	-	-	58,244
<u>TOTAL INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>\$ 114,310</u>	<u>\$ 2,850</u>	<u>\$ -</u>	<u>\$ 117,160</u>

* Records reflecting sources from which assets were acquired were not maintained prior to July 1, 1985.

OTHER SUPPLEMENTAL INFORMATION –
GRANT ACTIVITY

FRANKLIN COUNCIL ON AGING INC.
WINNSBORO, LOUISIANA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2006

<u>Federal Grants/Pass Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Expenditures</u>
U.S. Department of Health & Human Services - Administration on Aging: Passed Through Governor's Office of Elderly Affairs: Aging Cluster of Special Programs for the Aging:				
Title III, Part B - Supportive Services	93.044	\$ 40,243	\$ 40,243	\$ 40,243
Title III, Part C - Congregate Meals	93.045	40,045	40,045	40,045
Title III, Part C - Home Delivered Meals	93.045	27,527	27,527	27,527
Title III, Part D - Disease Prevention and Health Promotion Services	93.043	3,091	3,091	3,091
Title III, Part E - National Family Caregiver Support	93.052	3,350	3,350	3,350
Nutritional Services Incentive Program	93.053	<u>21,492</u>	<u>21,492</u>	<u>21,492</u>
Total of Aging Cluster		<u>135,748</u>	<u>135,748</u>	<u>135,748</u>
 <u>TOTAL FEDERAL AWARDS</u>		 <u>\$ 135,748</u>	 <u>\$ 135,748</u>	 <u>\$ 135,748</u>

FRANKLIN COUNCIL ON AGING, INC.
WINNSBORO, LOUISIANA
NOTES TO SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2006

1. General

The Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of the Council. The Council did not pass through any of its federal awards to a subrecipient during the year.

2. Basis of Accounting

The Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting as contemplated under accounting principles generally accepted in the United States of America and which is the same basis of accounting used for presenting the general purpose financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CAMERON, HINES & HARTT

(A Professional Accounting Corporation)

Certified Public Accountants

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Franklin Council on Aging, Inc.
Winnsboro, Louisiana

We have audited the financial statements of Franklin Council on Aging, Inc. as of and for the year ended June 30, 2006 and have issued our report thereon dated November 7, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Franklin Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by errors or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin Council on Aging, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of management, the Governor's Office of Elderly Affairs and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is to be distributed by the Legislative Auditor as a public document.

Cameron, Hines & Hartt (APAC)

West Monroe, Louisiana
November 7, 2006

FRANKLIN COUNCIL ON AGING, INC
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2006

To the Board of Directors
Franklin Council on Aging, Inc.
Winnsboro, Louisiana

We have audited the financial statements of the Franklin Council on Aging, Inc. as of and for the year ended June 30, 2006, and have issued our report thereon dated November 7, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of June 30, 2006, resulted in an unqualified opinion.

Section I- Summary of Auditors' Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weakness ___ yes X no Reportable Conditions ___ yes X no

Compliance

Compliance Material to Financial Statements ___ yes X no

B. Federal Awards

Internal Control

Material Weakness ___ yes X no Reportable Conditions ___ yes X no

Type of Opinion on Compliance Unqualified ___ Qualified ___
For Major Programs (No Major Programs) Disclaimer ___ Adverse ___

Are their findings required to be reported in accordance with Circular A-133,
Section .510 (a)? No

C. Identification of Major Programs: N/A

CFDA Number(s) Name of Federal Program (or cluster)

Dollar threshold used to distinguish between Type A and Type B Programs. N/A

Is the auditee a "low-risk" auditee, as defined by OMB Circular A-133? N/A

Section II- Financial Statement Findings

No matters were reported.

Section III- Federal Award Findings and Question Costs- N/A

FRANKLIN COUNCIL ON AGING, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2006

Section I- Internal Control and Compliance Material to the Financial Statements

This section is not applicable for this entity.

Section II- Internal Control and Compliance Material to Federal Awards

This section is not applicable for this entity.

Section III- Management Letter

No management letter was issued.